



Kansas Insurance Department

Sandy Praeger, Commissioner of Insurance

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Small business owners find relief from workers comp increase proposal

TOPEKA, Kan. — Some Kansas small business owners paying workers compensation insurance got a break recently when Sandy Praeger, Commissioner of Insurance, refused a proposed rate increase and actually got the rate to drop slightly.

Commissioner Praeger refused a recommendation for a workers comp rate increase from the National Council on Compensation Insurance, Inc. (NCCI). She said the rates — a proposed 1.7 percent overall increase for the voluntary base rate, and a 5.3 percent overall increase for assigned risk workers comp rates — were too high. The Commissioner based her refusal on recent legislative changes in the state Workers Compensation Act.

Because of Commissioner Praeger's position, NCCI amended its filing, lowering the existing voluntary base rate by a half-percentage point and only increasing the proposed assigned risk rate by 3 percent.

Voluntary workers compensation base rates are used by all insurance companies writing workers compensation in the competitive market. Assigned risk rates are used for insured businesses in the Kansas Assigned Risk Plan, a state organization for those businesses who are unable to obtain coverage in the competitive market.

The filing applies to all insurance carriers writing workers compensation policies for businesses in the state. The new filings were approved by the Kansas Insurance Department on Dec. 2, with an effective date of Jan. 1, 2012.

NCCI prepares workers compensation rate recommendations and manages the nation's largest database of workers comp information.

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The Kansas Insurance Department, established in 1871, assists and educates consumers, regulates and reviews companies and licenses agents selling insurance products in the state. More about the department is online at www.ksinsurance.org